

# THE TRANSPORTATION LINK



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**Office of Small and**  
**Disadvantaged**  
**Business Utilization**

This newsletter focuses on a subject that is very important to me – our partners. While we are very proud of all the work we do within OSDBU, we are also very much aware of how our efforts are multiplied by the efforts of our partners. When we all work together to assist the small and disadvantaged business community, there is a synergy that is very exciting!

In the work that our office performs in each of the OSDBU lines of business, we have partners that we depend on and are proud to work with. In this edition of the *Transportation Link* we emphasize how important these joint efforts are.

Within the Department of Transportation (DOT) we have a managerial initiative called ONE DOT that focuses on all the operating administrations within DOT working together to achieve common goals and objectives. Similarly, within the OSDBU community, we carry that concept further as we work with our partners to better achieve the goals and objectives of OSDBU.

Lastly, as the summer begins, I want to remind all of you how important it is to focus on transportation safety. As our children get out of school, and many of us plan summer vacations, it is important to remember that there are inherent risks in transportation. Please take the time to emphasize safety with your friends, coworkers, and family and always remember to use your seat belts and help “Buckle Up America.”

## OSDBU Partners - A Whole Stronger Than its Parts

Partnerships are a critical element in the success of the Department of Transportation (DOT) Office of Small and Disadvantaged Business Utilization (OSDBU). By working closely with other organizations, OSDBU is able to extend its reach and maximize the results achieved for its efforts.

OSDBU collaborates with its partners, in both the public and private sectors, to support the small, women-owned and disadvantaged business community. These partners, whether formally associated with DOT, or linked more informally to its purpose, contribute in their own way towards accomplishing the OSDBU mission: *To promote customer satisfaction through successful partnerships that result in an inclusive and effective small business procurement process.*



Partnerships play an important role in supporting the ONE DOT management strategy by promoting the department's overall goal to *move forward, lifted by a visionary spirit and motivated by a ONE DOT sense of cooperation.*

The assistance provided by OSDBU and its partners is wide-ranging, but works generally through three lines of business: Advocacy, Outreach and Financial Services.

### ADVOCACY

OSDBU's advocacy role includes a variety of initiatives encouraging policies that support the DOT strategic goal - to encourage and assist small, women-owned, and disadvantaged businesses to participate in DOT, and DOT-assisted, contracts and grants. In the realm of federal procurement programs, OSDBU negotiates and monitors goals, mediates disputes, and assists in prompt payment issues. OSDBU also participates in policy development/guidance by analyzing, commenting and proposing federal financial assistance legislation and/or regulations.

OSDBU also partners with state DOTs in an advocacy role for the Disadvantaged Business Enterprise (DBE) program. Furthermore, DOT's OSDBU works closely with other federal agencies, including the Small Business Administration (SBA), the Department of Commerce, Office of Federal Procurement Policy, General Services Administration and others. OSDBU reports to the SBA on small business issues and



**OSDBU**

Office of Small  
and Disadvantaged  
Business Utilization

**wants to hear from you!! Call us toll-free at 1 800 532-1169 with questions or comments about this newsletter or our web site. The Transportation Link's content may be reprinted without permission.**

to the Minority Business Development Administration, within the Department of Commerce, on small business procurement achievements.

## OUTREACH

One of OSDBU's primary goals is to provide information on, and access to, transportation-related business opportunities to the small, women-owned, and disadvantaged business community. This is achieved through a variety of outreach initiatives that provide information on marketing a business to DOT, procurement opportunities within the transportation sector, federal regulations, certifications, and much more.

OSDBU's Transportation Equity Act



Model (TEAM) is a new program within OSDBU that provides an outreach approach to assist firms to participate in the design-build projects that are the "wave of the future." The TEAM establishes a communication link between DOT, its grantees, recipients, contractors, subcontractors and the small, women-owned, and disadvantaged business community to facilitate their interest in contract opportunities from Mega projects and design-build initiatives. This new program replaces OSDBU's Liaison Outreach and Services Program (LOSP).

Another group of partners that work directly with OSDBU on outreach activities are the Minority Educational Institutions (MEIs) that participate in the Entrepreneurial Training and Technical Assistance Program (ETTAP). This program draws on partnership agreements with MEIs including Hispanic Serving Institutions, Historically Black Colleges and Universities, and Tribal Colleges.

ETTAP links MEIs with the public and

private sectors to focus on providing transportation-related assistance and procurement information to small, women-owned and disadvantaged businesses. The program also provides quality educational experiences, training and employment opportunities to minority students interested in transportation - related careers.

The ETTAP partners provide the following services:

- Small and disadvantaged business entrepreneurs are offered transportation-related assistance, and procurement information, using Electronic Commerce and the Internet,
- Students interested in careers in the transportation field are provided opportunities through work experience and internships,
- Information on the Welfare-to-Work and Garrett A. Morgan Transportation Technology and Transportation Futures Program initiatives is disseminated and local network partnerships are fostered.

*You can view more information on ETTAP, including a listing of the participating schools at: <http://osdbuweb.dot.gov/business/mp/mktpkg2.html>*

OSDBU works with an 8(a) contractor, JDG Associates, to extend its outreach activities through *Transportation Marketplace* events held throughout the year.



The purpose of these forums is to educate, train and assist small businesses (including minority and women entrepreneurs) to secure access to transportation-related contracting opportunities.

OSDBU officials, representatives from other DOT entities, prime contractors, procurement officers, and small business enterprises are all brought together at the *Transportation Marketplace* events to support the small business community.

*You can subscribe for e-mail notifications of upcoming events and conferences at <http://osdbuweb.dot.gov/about/lists/lists.html>*

OSDBU has been focusing on increasing the distribution of information to small businesses via the Internet and other electronic means. Technology, allows OSDBU to reach out to a larger number of small businesses, to distribute current information more quickly, and to do so at a lower cost to the government.

Another 8(a) contractor, Base Technologies, Inc. (BTI), works with OSDBU to provide these technology-based



information services. BTI operates OSDBU's National Information Clearinghouse (NIC) which can be reached toll-free at (800) 532-1169 or by e-mail on the following web page <http://osdbuweb.dot.gov/about/feedback.html>. The NIC provides information and assistance to small, women-owned and disadvantaged businesses interested in doing business with DOT.

BTI maintains the OSDBU web site at <http://osdbuweb.dot.gov>. In November 1999, they completed a major redesign of this 800-page site. BTI also assists other OSDBU technology initiatives by managing the list server (automatic e-mail service) and the Fax On-Demand system.

On a monthly basis, BTI publishes OSDBU's newsletter, the *Transportation Link*. This newsletter is readily available on the OSDBU web site and a paper copy is mailed to approximately 12,000 members of the small business community.

## FINANCIAL SERVICES

Providing financial services to eligible members of the small, women-owned and disadvantaged business community is the third of the OSDBU's lines of business. Under this line, OSDBU provides financial services to eligible small businesses through its Short Term Lending Program (STLP) and Bonding Assistance Program (BAP). The OSDBU partners in this important line of business are small minority banks and surety bonding agents.



The STLP is designed to provide short-term working capital in the form of revolving lines of credit at prime interest rates, to DBEs and firms certified as 8(a) by the SBA that are performing on transportation-related contracts. OSDBU's banking partners for the STLP are: Cathay Bank of Los Angeles, CA; Hamilton Bank of Miami, FL; Seaway National Bank of Chicago, IL; Adams National Bank of Washington, D.C.; Lone Star National Bank of Pharr, Texas and The Harbor Bank of Maryland of Baltimore, Maryland.

*More information on the Short Term Lending Program, including a listing of the banking partners can be viewed at: <http://osdbuweb.dot.gov/business/mp/mktpkg9.html>*

OSDBU's BAP is designed to enhance and further the opportunity for DBE and 8(a) firms to obtain bid, performance and payment bonds for transportation-related contracts.



Working closely with DOT, local bonding agents have the authority to issue bonds on site through participating Surety Companies. Local bonding agents are available in the following cities: Atlanta, GA; Indianapolis, IN; Canoga Park, CA; Newton, NJ; Columbia, SC; Santa Rosa, CA; Cincinnati, OH; Plantation, FL; Orlando, FL; Tallahassee, FL; Seattle, WA; and Portland, OR.

*More information on the Bonding Program, including a listing of the DOT Bonding Program Agents, can be viewed at: <http://osdbuweb.dot.gov/business/mp/mktpkg10.html>*

To accomplish its mission and implement its lines of business, OSDBU also works very closely with the DOT Operating Administration's small business specialists, contracting offices, small acquisition specialists, civil rights offices, and others – in the spirit of ONE DOT. In this manner, OSDBU serves as the focal point for all of the partners to come together to serve the small, women-owned and disadvantaged business community.

*You can learn more about OSDBU and its programs at <http://osdbuweb.dot.gov/about/>  
You can learn more about ONE DOT at <http://www.dot.gov/onedot/>*

## Congratulations Ms. Hopewell!

Luz Hopewell, Director of the Department of Transportation (DOT) Office of Small and Disadvantaged Business Utilization (OSDBU), was recently invited to become a member of the Women's Transportation Seminar (WTS) Advisory Board.



WTS is dedicated to excellence in transportation through the achievement and success of women.

Founded in 1977, WTS was created through the efforts of 40 women involved in transportation in the Washington, D.C. area. These women recognized that a mechanism was needed to enhance professional and personal advancement, and to develop industry and government recognition, of the increasing involvement of women in the field of transportation.



WTS is now a national organization of transportation professionals with 3,000 members, both women and men. To date, 34 chapters have been established throughout the U.S. Additional chapters are in development.

The WTS advisory Board plays a key role in supporting and advancing the goals of WTS.

*You can learn more about WTS at <http://www.wtsnational.org/>*

# The Roberts Companies

Kay L. Gabbert is the Senior Vice President of The Roberts Companies, a minority-owned company that has subsidiaries in Minority Business Enterprise (MBE), Disadvantaged Business Enterprise (DBE) and Women Business Enterprise (WBE) consulting; construction and property management; television broadcasting; wireless phone services; and restaurants. The company is owned by Mike and Steve Roberts, two African-American brothers.



Steve Roberts, Kay Gabbert, Mike Roberts

The consulting firm, Roberts and Roberts Associates, was founded in 1974 and celebrated its 25<sup>th</sup> anniversary last year.

Ms. Gabbert started her career working as a congressional staff person and the Roberts started as City Council Members – all in St. Louis, Missouri. This background provided the three of them with a strong understanding of political issues.

Initially people starting asking them for political advice, which led to the formation of their political consulting firm. The political work evolved into affirmative action initiatives in the commercial sector with clients such as the Anheuser Busch Company. Soon they were also involved in MBE/DBE consulting for state DOT projects and U.S. DOT-funded projects.

Next, Roberts-Roberts became aware that the New Jersey casinos were required to have MBE/WBE plans as part of their licensing requirements. Roberts-Roberts marketed the casinos and picked up contracts with seven of

them. Ms. Gabbert proudly points out that these casinos had 5% minority participation before Roberts-Roberts helped them develop their MBE/WBE plans, but one year later they had 17% minority participation. One critical reason for this success was that Roberts-Roberts insisted that the MBE/WBE program be an integrated part of each corporation's overall planning process and that it come under the authority of the CEO's office.

Next, the firm competed for, and won, a contract with three D.C. utility companies under regulatory mandate to improve minority participation. They looked at what the utility companies procured from local, regional and national markets and developed a national registry of minority firms. By translating these purchasing activities into SIC codes, they were able to determine what pool of minority firms was available for various purchasing activities. The end result was that the utility companies were able to significantly increase their minority participation.

In the early 90s, the Metropolitan Washington Airport Authority was beginning a large capital development project. Roberts-Roberts was



selected through a competitive bid process to streamline outreach to MBEs/DBEs/ and WBEs. They enhanced the Authorities Race and Gender Neutral Program for projects financed with revenue funds, and a DBE program for projects financed with U.S. DOT funds – making them more aggressive with targeted

outreach, and with comprehensive pre and post award compliance monitoring programs. These highly praised monitoring programs were designed with audit trails for participation at the first and second tier levels.

Roberts-Roberts has worked with the Missouri DOT on a number of initiatives.

Ms. Gabbert believes that this is a great time for minority businesses to grow because the economy is so strong. She believes that their company has been very successful for the following three reasons:

- they are very aggressive
- they never say they can't do something
- they are always looking for opportunities.

Their grounding is in their political background. Working in political campaigns they learned how to take a loss and how to never miss a deadline. They also have an enormous amount of connections from their political experiences.

On a personal level, Ms. Gabbert feels that she and her partners have a great mix of personalities. Mike Roberts has great vision, while Kay Gabberts and Steve Roberts are good at implementing Mike's ideas. They all have worked together for twenty years and they are best friends. They believe in what they do, and they have great confidence and trust in each other.

Through the years they have branched off into a number of different fields, but Ms. Gabbert still feels that their work on MBE/DBE/WBE programs is the most significant way they affect people. They find that impact very rewarding.

*For more information on The Roberts Companies please call (314) 367-4600 or e-mail rrakig@aol.com.*

## DOT and SBA Partner To Streamline Certifications

In November 1999, a Memorandum of Understanding (MOU) was signed between the Department of Transportation (DOT) and the Small Business Administration (SBA) to establish reciprocity and streamline certification procedures for participation in SBA's 8(a) Business Development and Small Disadvantaged Business programs, and DOT's Disadvantaged Business Enterprise program.



On April 26, 2000, Secretary of Transportation, Rodney Slater, sent a letter to the Department of Transportation's (DOT) financial assistance recipients in the highway, transit, and airport programs regarding this memorandum. The Secretary asked them to specifically provide a copy of their DBE directory electronically to the SBA to help identify certified DBE firms that may also qualify for SBA programs.

Procedural Guidance for implementing the SBA/DOT MOU prior to the publication of a final rule was also issued. It includes a Summary of the DOT/SBA Interim Reciprocal Certification Procedures outlining when a firm that is certified by one of the agencies may be eligible for reciprocal consideration. It is emphasized that the burden of proof is on the applicant.

*You can view Secretary Slater's Letter at <http://osdbuweb.dot.gov/business/legislation/dearcolleague.html>*

*You can view the Procedural Guidance at <http://osdbuweb.dot.gov/business/legislation/mousba.html>*

*You can view the SBA/DOT MOU at <http://osdbuweb.dot.gov/business/legislation/memofunder.html>*

## SBA Shifts to NAICS

On October 1, 2000, the U.S. Small Business Administration (SBA) is adopting the North American Industry Classification System (NAICS) to replace the current Standard Industrial Classification (SIC). NAICS more accurately reflects the composition of today's small business sector, especially the newer portions like the fast-growing technology area.



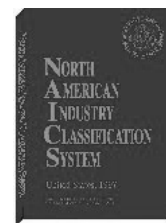
The NAICS will now serve as the basis for the agency's small business size standards that are used by Federal procurement officials and others to define whether a business is large or small.

The SBA's new NAICS-based size standards are listed in a final rule that was published on May 15 in the Federal Register. This rule can be viewed at <http://www.sba.gov/size/>.

Size standards for most industry activities will not change as a result of adopting NAICS; however, a few activities will have a higher or lower size standard than under the current SIC-based size standards. Small businesses should find the NAICS code for their industry and check the corresponding standard to ensure continued eligibility for programs reserved for small businesses.

*More information on NAICS, including a matching SIC codes to NAICS codes table, is available on the U.S. Bureau of Census' web site at <http://www.census.gov/epcd/www/naics.html>*

*The July 1999 edition of the Transportation Link also features an article on NAICS at <http://osdbuweb.dot.gov/translink/jul99/index7.htm>*



## FAA Mentoring Program

The Department of Transportation (DOT) Federal Aviation Administration (FAA) recently established a permanent Mentor Protégé program designed to broaden the agency's contractor base by encouraging prime contractors to mentor small disadvantaged businesses.

Transportation Secretary Rodney Slater emphasizes that, "By pairing small and minority-owned businesses with experienced contractors, we can enhance opportunities for a new generation of entrepreneurs."

The Mentor Protégé program was implemented as a pilot in April 1997. The pilot enhanced the capabilities of small businesses to work on high-tech FAA contracts and subcontracts. The permanent program will further invite FAA prime contractors and subcontractors to assist or partner with small socially and economically disadvantaged businesses, women-owned businesses, and minority educational institutions including, historically black colleges and universities.

*The Mentor Protégé program guide can be viewed at <http://www.faa.gov/sbo/men2.htm>*

## CALENDAR OF EVENTS FOR June/July/August 2000

DATE	EVENT	CONTACT
June 17-21	FAA/AMAC Airport Diversity Business Conference Lake Buena Vista, FL	Donna Brady (703) 548-8806 <a href="http://amac-org-conference.com/">http://amac-org-conference.com/</a>
June 27-July1	Society of Women Engineers National Conference: Beyond 2000 Exploring Perspectives Washington, DC	(818) 558-1278 <a href="mailto:swe@showtrax.com">swe@showtrax.com</a> <a href="http://showtrax.com/store/">http://showtrax.com/store/</a>
July 20	U.S. General Services Administration Federal Dollars and Sense for Women-Owned Business E-Commerce 2000 Washington, DC	Cynthia Pope (202) 606-4000 ext. 345 <a href="mailto:bscncr@gsa.gov">bscncr@gsa.gov</a>
July 29-August 2	2000 National Urban League Conference New York, NY	<a href="mailto:info@nul.org">info@nul.org</a> <a href="http://www.nul.org/2000conf/info.html">www.nul.org/2000conf/info.html</a> (212) 558-5382
August 6-9	70th Annual Institute of Transportation Engineers Nashville, TN	Donna Ford (202) 554-8050 ext. 140 <a href="https://secure.ite.org/annualmeeting2000/">https://secure.ite.org/annualmeeting2000/</a>

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